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S/TR comment on indications of CHICOM logistic buildup on Peiling Peninsula:

An increasing tempo of logistic support activity in the area opposite the Matsu Islands in the past few weeks is evident from daily reports received from the field. The Chinese Communists are moving supplies into the Peiling Peninsula by sea. Motorised junks, small landing craft and wessels as large as MIST's have been observed in supply activity. There is substantial evidence (recent appearance of navigation lights and frequent sightings of vessels at dawn and dusk) to indicate that the Chinese "ommunists are moving supplies into the Peninsula area under cover of darkness, At least one report concludes that Loyuan Bay is being used as a staging area for movements of supplies from the North into the Feninsula and Min River areas.

Moreover, the Chicom are quite far along on the construction of several access roads leading from beach areas along the Peiling Peninsula to artillery positions and strong points located on high ground. There have been frequent reports during the past few weeks of road construction activity, especially in the Huang Chi and Ting Hai areas of the Peninsula. Recent aerial photographic interpretation confirms these reports and indicates that the roads, which extend right out to the landing points on the shore, are suitable for heavy truck traffic. It is noteworthy that many of the water movements recently noted have been into those areas of the Peninsula served by these new roads.

Contrary to the belief that the Chicom would likely consider it necessary to construct a road from the main coastal route out the Peiling Peninsula in logistic support of their positions there, it now seems evident that they intend to supply the Peninsula by sea, depending on truck sovements only from the beach inland to their positions. It would appear therefore, that principal road construction requirements on the Peiling Peninsula are for local service roads. Moreover, a number of these roads have already been completed.

(S/TR)

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